



FY2011 Mid-Year Report



“We embrace people experiencing homelessness with the compassion of Christ – giving hope and healing for a changed life – helping them find their way home.”



Homelessness is a crisis in Southern California. As many as 70,000 men, women and precious children find themselves homeless and living on the streets or in other places not fit for human habitation in LA County. Since 1891 Union Rescue Mission has stepped up to meet the needs of people experiencing homelessness by providing meals, shelter and Christ-centered life transformation programs.

In October of 2008, while other missions and organizations were cutting programs or closing their doors altogether, Union Rescue Mission responded to the economic crisis by cutting costs and increasing programs and services to meet the needs of two parent families and single dads with children. By repurposing space on the 5th floor being used to accommodate out-of-town volunteer groups and individuals, Union Rescue Mission's latest program "Project Restart" has helped over 79 of these precious two parent and single dad families move beyond the shock of becoming homeless, secure employment and save enough money to secure housing and return to self sufficient living. Even more impressive, since October of 2008 when our very first two parent family turned to us in need, through Union Rescue Mission, Hope Gardens Family Center and Project Restart we have rescue over 800 families with 1900 precious children off the streets!

Union Rescue Mission has been Certified Excellent by the Association of Gospel Rescue Missions (AGRM) and is the only mission in LA to receive Charity Navigator's 3 Star rating. And, Union Rescue Mission continues to be one of the only providers in LA County providing complete care for single men, single woman, and one and two parent families with children of any age.

December 31st marked the end of the calendar year and the midpoint in URM's fiscal year. Here are just a few of the many milestones & events we are praising and thanking God for:

- We celebrated dozens of men and women graduates from our Life Transformation Programs.
- We avoided the need to take the devastating cost savings measure of closing Hope Gardens Family by raising a remarkable \$3,821,860.50 in just 37 days.
- We shared God's love on Skid Row through a water walk on the hottest day in L.A.'s recorded history, over 113 degrees, delivering 2,000 bottles of water to very thirsty people.
- We were able to hold our annual Thanksgiving Celebration and Christmas Store, even under a tight budget, by securing sponsorships. We were able to serve a delicious Thanksgiving meal to 4,000 people—more than we ever had before.
- We embarked on our winter shelter program for the 3rd year in a row and opened up the armories in West LA, Culver City, Glendale, in addition to adding 200 beds at the mission downtown.
- We provided 29,106 nights of shelter to families, 390,486 nights of shelter overall and served a remarkable 1,309,567 meals!*
- We entered into our 120th year of service.

*For details, please see our 3 Year Growth in Services Chart.

Acknowledging God's provision for this ministry, here are the key concerns we are asking God to provide clear direction and help in solving as we look to the remaining 6 months of this fiscal year and beyond:

- We have lost \$1.125 million dollars of income we were counting on to help cover operating expenses for the next 18 months.

Our plea to the county to continue supporting URM was ignored. As of January 1, 2011 the subsidy of \$62,500 per month being paid to Hope Gardens was cancelled leaving a \$375,000 deficit in our budgeted income for the remainder of this FY and a \$750,000 deficit which must be covered by a different income source next year.

- Left unchecked, the gap between the budgeted/anticipated donations needed to fund our budget and the actual donations we receive will reach \$1.4 million by the end of June.

We arrived at our FY2011 budget by using our actual income numbers from FY2010 and trimmed all but the most vital expenses from the previous year to achieve a balanced budget. To date, we've been able to reduce expenses over the previous year by a remarkable \$2.5 million. However, to close the gap by the end of this fiscal year and remain strong through the summer months, additional cost saving measures and additional funding will be necessary.

- Two and ½ years of salary and budget cuts, increased need and decreased giving have left us with a severe reduction in programs and services as our only option in the event that the gap between income and expenses cannot overcome in the next 120 days.



Additional steps we are taking to ensure that we can meet the needs of precious people experiencing homelessness for years to come!

1. We are seeking to coordinate meal services provided to outside guests (guests who do not sleep at a mission) with LA Mission and Midnight Mission. For example, Midnight Mission could feed breakfast, LA Mission could provide lunch and Union Rescue Mission could provide dinner. This would reduce our food, kitchen and security costs by nearly \$500,000 a year and approximately \$170,000 for the final quarter of FY2011.
2. We have applied for a grant from the Department of Water and Power that would allow us to update URM's infrastructure and retrofit our utilities for greater cost efficiencies without added expense.
3. We are continuing to evaluate mission focused business opportunities such as thrift stores, food services and venue rentals to determine their usefulness in the mission's sustainability and/or the expansion of our job training program.
4. We are praying that as we share our needs God will increase giving through new donors who feel called to help people experiencing homelessness.
5. We are personally meeting with our top 300 donors in an effort to raise \$1.5 million over and above the amount we anticipate receiving from this faithful group between now and the end of June.

Please think about the amount you were planning to give to Union Rescue Mission this year and prayerfully consider increasing your gift by two or three times. Your generous & timely donation will allow URM to end FY2011 strong and remain so during the lean summer months.

Thank you and may God bless you!